**Press Information**

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Roto: New group structure from 2019 / "Non-operational" holding company and three independent firms / Considerably reduced complexity / Clear units / Decentral over central / Stability for staff and customers / Building supplier remains 100% family-owned / "3rd Division" suitably integrated / Global communication

**Roto embraces change and ensures continuity**

***Leinfelden-Echterdingen - (rp)*** The Roto Group aims to pave the way for further growth with a new corporate and organisational structure. As announced by the building supplier, the changes will come into effect at the start of 2019. They focus on the formation of a holding company and three independent firms that will be fully responsible for their own performance. The Group currently employs a total of around 4,900 staff and generated turnover of EUR 633.5 million in 2017. Its strong global position is currently reflected by its 18 production sites on four continents. The future offensive launched with the new structure therefore has a stable foundation.

According to Dr Michael Stahl, its "key benefits" include a significant and sustainable reduction in complexity that has increased considerably in each business area, both nationally and internationally. The "decentral over central" motto therefore applies, says the Chair of the Roto Frank AG Supervisory Board. In future, the individual firms will be able to fully concentrate on their original tasks, thereby making Roto faster, more economical, more efficient and ultimately even more customer-focused. At the same time, the restructuring combines "change and continuity". Security and reliability for staff, customers, market partners and suppliers have been preserved, as has the owner's solidity. Stahl: "The Roto Group will remain 100% owned by the Frank family."

As a further trigger for the "new formation", Dr Eckhard Keill cites the growing differences in market and target group management by the current Window and Door Technology (FTT) and Roof and Solar Technology (DST) Divisions. These hamper and limit synergy effects, explains the Chairman of today's Roto Frank AG Executive Board. The targeted expansion of the "Aftermarket windows and doors" business area, as documented by several acquisitions, also plays an important role in the future strategy. This "3rd Division" can only be suitably integrated by means of restructuring. This step, which creates clear units and clear responsibilities, also increases the capacity for possible future acquisitions.

**Four short portraits**

From 2019, Roto Frank Holding AG managed by Keill as CEO will act as a "non-operational" umbrella company. It will primarily be responsible for general strategic development and monitoring, patents and law, acquisition policy, corporate identity (CI) and corporate design (CD), as well as general corporate communication. It will also represent the owner's rights in the three Group firms and exercise control of these, together with their supervisory bodies.

The positive effects of the considerably reduced complexity have been particularly demonstrated at Roto Frank Fenster- und Türtechnologie GmbH. The fitting, lock, hinge, threshold and seal profile system specialist will be able to fully concentrate on successfully managing the large number of international window and door markets. Its global focus is reflected by 15 production sites, around 30 logistics distribution centres and nearly as many sales organisations. Over the next year, the Chair of the new firm's Executive Board will be appointed, thereby replacing Keill in this role. The Managing Director Finance will be Michael Stangier. The current Chief Financial Officer of Roto Frank AG has the "very important expertise" to professionally manage the high international requirements, thanks to his many years of experience. For the workforce, "everything essentially remains the same". Customers can also "firmly rely" on continuity.

At Roto Frank Dachsystem-Technologie GmbH, the name conveys the core competence expressed by its development into a full-range provider of roof windows. It also integrates adjacent portfolio areas such as sun protection and attic stairs. Approximately 1,200 staff are employed at its headquarters in Bad Mergentheim, three factories, four distribution platforms and currently 15 sales outlets. For them too, the restructuring will have no effect in practice. The same applies to its professional trade, craft and planning customers. Keill also emphasises staff continuity at the very top of the company, which will still be led by Christoph Hugenberg as the future Chair of the Executive Board. At the Group's second independent firm, the decisive outcome is also: "Total concentration on the essentials thanks to a significant decrease in complexity".

Finally, the building supplier is bundling its strategic aftermarket commitment in a separate company, namely Roto Frank Professional Service GmbH. In doing so, it is documenting its "long-term ambitions" in the sector and positioning itself as a permanent contact and project partner for end customers, manufacturers and retailers. The company is headquartered in Leinfelden-Echterdingen near Stuttgart and aims to become a complete service provider for the repair, improvement, modernisation and upgrading of windows and doors. It will be managed by Dr Christian Faden, who is being promoted internally from his current role as Head of Corporate Development. Four current specialist companies with aftermarket business experience from Germany and Switzerland will be integrated into the "3rd Division" that joined the Roto Group in October 2017. These are Wollenberg GmbH (Berlin), Dachfenster Keller GmbH (Thalheim near Winterthur), Pfeil und Söhne GmbH (Munich) and Wiedemann Sicherheitsbeschläge GmbH (Hannover).

**Newspaper in 14 languages**

Great importance has also been placed on making the background, details, impacts and prospects of the new structure clear and totally transparent, both internally and externally. An "ambitious communication project", as Keill calls the task at hand, that is not only global, but also as simultaneous and uniform as possible. The (unusual) central tool: a four or two-page information sheet in the style of a newspaper for staff, as well as for customers/business and market partners respectively. "UptoDate" is published in a total of 14 languages.

**Captions**

For Dr Michael Stahl, the significant and sustainable reduction in complexity that had increased considerably in each business area, both nationally and internationally, is one of the "key benefits" of the Roto Group restructuring. At the same time, it combines "change and continuity," says the Chair of the Roto Frank AG Supervisory Board. The building supplier will remain 100% family-owned.

**Photo:** Roto **Dr.Stahl.jpg**

The reorganised Roto Group to be established at the start of 2019 will result in "clear units and clear responsibilities," says Dr Eckhard Keill. According to the CEO of the building supplier and future Chair of Roto Frank Holding AG, this is also the only way to suitably integrate the strategically important "Aftermarket windows and doors" business area into the consortium.

**Photo:** Roto **Dr.Keill.jpg**

The Roto Group aims to pave the way for further growth with a new corporate and organisational structure. This graphic shows its future composition. It consists of a "non-operational" holding company and three independent firms that will be fully responsible for their own performance.

**Graphic:** Roto **Roto\_Organisation\_chart.jpg**

According to those responsible, the "new Roto formation" will also make the international building supplier "even more powerful" in future, significantly assisted by its dedicated motto, "decentral over central". The three individual firms will therefore be able to fully concentrate on their original tasks. For staff and customers, the Group will remain a "powerful, stable and reliable partner".

**Photo:** Roto **Roto\_Frank\_Leinfelden.jpg**

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